



Herve Mantoux
Technical Division Manager

P.O. Box 1007
CHALMETTE, LA 70044
(504) 281-1212

January 7, 2014

Mr. Ben Larson
United States Environmental Protection Agency
Mail Code 6405A
1200 Pennsylvania Ave. NW
Washington, D.C. 20460

Re: Environmental Protection Agency Notice FRL-9920-28-OAR

Dear Mr. Larson,

Chalmette Refining, L.L.C. is in receipt of the United States Environmental Protection Agency Federal Register Notice FRL-9920-28-OAR, dated December 4, 2014, concerning a request for substantiation of confidential business information ("CBI") designations for several categories of documents submitted under the Renewable Fuel Standard ("RFS") program ("Notice"). As you know, the Chalmette Refining is reported separately from other ExxonMobil refineries because it is operated as a joint venture between ExxonMobil Oil Corporation and Petroleos de Venezuela S.A. and is a separate corporate entity. Chalmette Refining is timely submitting this letter in response to the Notice prior to the January 9, 2015.

The Notice broadly identifies three categories of data requested: (1) the Annual Compliance Report, (2) Ownership of RINs in 2012 and 2013 and (3) Transactional Information Contained in EMTS. In support of its CBI designations, Chalmette Refining responds as follows to the questions contained in the Notice:

- 1. For what period of time do you request that the information be maintained as confidential, e.g., until a certain date, until the occurrence of a specified event, or permanently? If the occurrence of a specific event will eliminate the need for confidentiality, please specify that event.**

Chalmette Refining requests that the information requested be maintained as confidential. In its response to a substantiation request for FOIA HQ-FOI-01586-12 from April 2013, Chalmette Refining requested that its Renewable Volume Obligations ("RVOs") data be held as confidential for a period of at least four years after their submission. Consistent with that approach, Chalmette Refining requests that data in the first two categories, the Annual Compliance Report and Renewable Identification Number ("RIN") ownership information, be held as confidential for four years after submission. The third category of documents appears to implicate more sensitive information. The description appears to contemplate information including counterparty, price and volume for every trade as well as every RIN generation, separation, and retirement. Given the unprecedented depth

and sensitivity of this information, Chalmette Refining requests that the information in this third category be held confidential for eight years. While that period of time is longer than Chalmette Refining would typically request, that information would illuminate the entire market and compliance strategy of ExxonMobil and every other market participant. In light of the uncertainty in the RINs market, the uncertainty of the regulatory approach that EPA will take going forward, and the sensitive competitive decisions that are now being made, Chalmette Refining believes this request is reasonable.

2. Information submitted to EPA becomes stale over time. Why should the information you claim as confidential be protected for the time period specified in your answer to question #1?

Information from all three categories illustrate Chalmette Refining's approach to compliance with the RFS and its strategy with respect to the RINs market. While the RINs position will vary year to year based on production, this information is revealing of Chalmette Refining's current market position and illustrative of Chalmette Refining's competitive position with respect to RINs and its compliance obligations. The disclosure of this information to competitors or trading partners effectively indicates the amount of negotiating leverage they have with respect to Chalmette Refining as they can ascertain an exact picture of Chalmette Refining's need for RINs. For example, a supplier of RINS may charge Chalmette Refining a higher price for RINS than it would a competitor if it knows Chalmette Refining has a greater need for RINS based upon its RVO, thus placing Chalmette Refining at a competitive disadvantage. This is especially true of the third category which not only illustrates Chalmette Refining's RINs holding but illustrates its strategy with respect to acquiring and selling RINs. Utilizing this information, counterparties may gain competitive advantages by more accurately evaluating Chalmette Refining's market position and compliance needs.

Of course, over time, Chalmette Refining's competitive position will change, and after a period of years, the information will bear little resemblance to the actual conditions presently existing as the refinery and the provision of such information would have significantly less competitive consequences. Chalmette Refining believes that four years after submission is protective of the first two categories of data requested. As noted above, given the sensitivity and detail anticipated by the third request, Chalmette Refining believes that eight years is an appropriate confidentiality period for the last category.

3. What measures have you taken to protect the information claimed as confidential? Have you disclosed the information to anyone other than governmental body or someone who is bound by an agreement not to disclose the information further? If so, why should the information still be considered confidential?

Chalmette Refining has not disclosed the information requested to anyone other than EPA in response to mandatory regulatory reporting requirements. With respect to individual transactions implicated by the third category, Chalmette Refining performs individual transactions with counterparties, but typically does not disclose the details of those transactions outside of the

mandatory submission to EPA's EMTS system. Most of the information is submitted electronically and securely to EPA EMTS CDX systems. Additionally, Chalmette Refining would not share this type of information with the general public, and would only share this type of information with service providers under the auspices of a confidentiality agreement.

Chalmette Refining strictly controls the release of its confidential and proprietary information according to its Delegation of Authority Guide and Review Procedures ("DOAG Procedures"). These guidelines provide specific protocols for the release of information outside of Chalmette Refining, and require management, legal, and public affairs department approval prior to a release of information. Additionally, when appropriate, a confidentiality agreement is required.

As part of its business operations, Chalmette Refining's management has approved the limited release of certain confidential information to appropriate government entities, including EPA. The authorization to release this confidential information, however, is based on the expectation and concrete understanding that the confidential commercial information will not be publicly released.

Confidential information used by employees in the course of business activities is a valuable corporate asset that must be appropriately safeguarded against unauthorized disclosure, modification, or loss (whether through accidental or intentional actions). Chalmette Refining has implemented guidelines, processes and procedures that govern the collection, labeling, safeguarding, processing and transfer of confidential information within and outside the company. In this regard, all employees are expected to comply with Chalmette Refining practices to ensure that protective measures are in place to minimize potential risk of releasing sensitive and valuable information to the others within, as well as outside, Chalmette Refining. Actions that employees must take to ensure adequate protection from disclosure include ensuring physical and electronic control points, proper classification of documents, consultation with management as appropriate, and taking any additional steps necessary to protect confidential information. Moreover, as a condition of employment, employees are required to sign an agreement that they will not disclose confidential information or use it against the Chalmette Refining or for personal benefit. All employees are required to relinquish any Chalmette Refining materials upon termination of employment.

4. Is the information contained in any publicly available material such as the Internet, publicly available databases, promotional publications, annual reports, or articles?

Some summary information related to the RINS market is available on EPA's website, but the information requested by the Notice is not. The information currently available through EMTS or on EPA's website does not publicly provide the individual submission level of detail implicated in this Notice.

5. Is there any means by which a member of the public could obtain access to the information? Is the information of any kind that you would customarily not release to the public?

Other than information provided to a specific counterparty in a specific transaction, information about Chalmette Refining's RINs transactions is not publicly available through any means. The public could not obtain this information through any means other than through a FOIA request to EPA. Chalmette Refining would not customarily release the information to the public.

- 6. Has any governmental body made a determination as to the confidentiality of the information? If so, please attach a copy of the determination.**

Chalmette Refining previously asserted confidentiality with respect to its RVOs in conjunction with FOIA request HQ-FOI-01586-12. The present Notice is much broader, but would appear to include the information requested in HQ-FOI-01586-12.

- 7. For each item or category of information claimed as confidential, explain with specificity why release of the information is likely to cause substantial harm to your competitive position. Explain the specific nature of those harmful effects, why they should be viewed as substantial, and the causal relationship between disclosure and such harmful effects. How could your competitors make use of this information to your detriment?**

The public disclosure of the information requested would cause significant competitive harm because it would indicate Chalmette Refining's competitive position with respect to RINs. While the more recent submissions would be most damaging, the disclosure of any information would provide competitors and the general public with valuable information about Chalmette Refining's upcoming compliance needs and its market position. Such disclosure would affect the marketplace and Chalmette Refining's ability to compete in the marketplace for RINS, as explained in response to Question 2.

Additionally, disclosure of the requested information would provide a level of detail with respect to refinery throughput that would reveal competitive information relating to the mix of products produced by Chalmette Refining. Chalmette Refining's information is reported on an individual basis. Through analysis of the requested information and a comparison with publicly available information, competitors would be able to analyze, with a high degree of accuracy, the product mix that Chalmette Refining produced that year and for the immediately following years. Information with respect to specific quantities and specific production is highly confidential business information. Chalmette Refining's competitors would be able to ascertain and predict, with a high degree of certainty, the production of the Chalmette Refining. Thus, disclosure of the requested information would be especially problematic.

- 8. Do you assert that the information is submitted on a voluntary or a mandatory basis? Please explain the reason for your assertion. If you assert that the information is voluntarily submitted information, please explain whether the information is the kind that would customarily not be released to the public.**

Chalmette Refining submits all of the information implicated by this request on a mandatory basis under the Renewable Fuel Standard.

- 9. Whether you assert the information as voluntary or involuntary, please address why disclosure of the information would tend to lessen the availability to EPA of similar information in the future.**

Given the mandatory reporting obligations, Chalmette Refining expects that a disclosure would have no effect on the reporting of similar information in the future.

- 10. If you believe any information to be trade secret(s), please so state and explain the reason for your belief. Please attach copies of those pages with brackets around the text that you claim to be trade secret(s).**

Chalmette Refining does not believe that any of the information contemplated constitutes trade secrets. Nonetheless, as explained above, the requested information is of great value to Chalmette Refining, and a large part of that value derives from its confidentiality.

Chalmette Refining faces worldwide competition relating to fuels manufacturing. The refining industry is very mature, and changes in technology or operation are infrequent; therefore, the confidential information can be used beneficially by our competition for long periods after it is generated. This information is not released outside the Company, and it is imperative that EPA honor the confidentiality of the requested information.

- 11. Any other issue you deem relevant (including, if pertinent, reasons why you believe that the information you claim to be CBI is not emission data or effluent data).**

None

Based upon the foregoing, it is Chalmette Refining's expectation that the information requested will not be publicly released. To the extent you have any questions or concerns regarding any of the foregoing, please do not hesitate to contact me.

Regards,



Herve Mantoux
Technical Manager
Chalmette Refining, LLC

Cc: Wade H. Maxwell - Refinery Manager
Toby Hamblin - Department Head, Coordination & Product Quality
Dane A. Holbrook - Refinery Attorney